

113TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session 113-534

AMENDING THE EAST BENCH IRRIGATION DISTRICT WATER CONTRACT EXTENSION ACT TO PERMIT THE SECRETARY OF THE INTERIOR TO EXTEND THE CONTRACT FOR CERTAIN WATER SERVICES

JULY 17, 2014.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Natural Resources, submitted the following

R E P O R T

[To accompany H.R. 4508]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 4508) to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 4508 is to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 4508 authorizes the Secretary of the Interior to extend a water contract between the United States and the East Bench Irrigation District until December 31, 2019. An extension will allow water to continue to be delivered to nearly 60,000 acres in the Beaverhead Valley of Montana.

The Bureau of Reclamation's Clark Canyon Dam and Reservoir are located in southwestern Montana. This federal project annually supplies irrigation water for 28,000 acres within the East Bench Irrigation District (EBID) pursuant to a 1958 contract. The contract expired on December 31, 2005, prompting EBID and Reclamation to negotiate a new contract. Under Section 1 of the Act of May 15, 1922 (42 Stat. 541), Section 46 of the Omnibus Adjustment Act of 1926 (44 Stat. 649), and Section 85-7-1957, Montana Code Annotated, execution of a new contract between the United States and

any irrigation district requires confirmation by a Montana District court. In 2006, EBID filed a petition with the Montana Fifth Judicial District Court seeking confirmation of the execution of its renewed contract with Reclamation. The Court convened a hearing in December 2006 and one objection to the confirmation was filed. Due to this objection, the case has been referred to the Montana Water Court, which has yet to rule on this case.

Congress has extended the 1958 contract several times since its expiration. Under federal law, extensions provide an irrigation district an absolute right under federal law to negotiate a new contract with Reclamation as long as the existing contract is still valid and binding on all parties. H.R. 4508 adds six additional years to the last extension (Public Law 112-139), thereby extending the 1958 contract until December 31, 2019, or until a new contract is executed. This legislation does not prejudice the Montana Fifth Judicial District Court or the Montana Water Court and simply holds the 1958 contract in place while water adjudication is resolved at the state level. Meanwhile, water will continue to be delivered from a federal project to thousands of irrigated acres.

COMMITTEE ACTION

H.R. 4508 was introduced on April 29, 2014, by Congressman Steve Daines (R-MT). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water and Power. On June 10, 2014, the Subcommittee on Water and Power held a hearing on the bill. On June 19, 2014, the Natural Resources Committee met to consider the bill. The Subcommittee on Water and Power was discharged by unanimous consent. The bill was adopted and ordered favorably reported to the House of Representatives by unanimous consent.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

H.R. 4508—A bill to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services

H.R. 4508 would authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to extend the water contract between the United States and the East Bench Irrigation District for six additional years or until a new long-term contract is executed, whichever is earlier. Based on information from the Bureau of Reclamation, CBO estimates that enacting the legislation would not affect the federal budget. Enacting H.R. 4508 would not affect revenues or direct spending; therefore, pay-as-you-go procedures do not apply.

The Bureau of Reclamation supplies irrigation water from the Clark Canyon Dam and Reservoir project to the East Bench Irrigation District under an interim contract negotiated in 2006 after the original contract expired. Although the interim contract expired at the end of 2013, both the bureau and the district continue to operate under the terms of the expired contract and expect to do so until a new contract is executed.

H.R. 4508 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On June 26, 2013, CBO transmitted a cost estimate for S. 1965, a bill to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services, as ordered reported by the Senate Committee on Energy and Natural Resource on June 18, 2014. The text of the two pieces of legislation is identical, and the CBO cost estimates are the same.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

2. Section 308(a) of Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. CBO estimates that enacting the legislation would not affect the federal budget.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

COMPLIANCE WITH H. RES. 5

Directed Rule Making. The Chairman does not believe that this bill directs any executive branch official to conduct any specific rule-making proceedings.

Duplication of Existing Programs. This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139 or identified in the most recent Catalog of Federal Domestic Assistance published pursuant to the Federal Program Information Act (Public Law 95-220, as amended by Public Law 98-169) as relating to other programs.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

EAST BENCH IRRIGATION DISTRICT WATER CONTRACT EXTENSION ACT

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SEC. 2. AUTHORITY TO EXTEND WATER CONTRACT.

The Secretary of the Interior may extend the contract for water services between the United States and the East Bench Irrigation District, numbered 14-06-600-3593, until the earlier of—

- (1) the date that is [4 years] 10 years after the date on which the contract would have expired if this Act had not been enacted; or
- (2) the date on which a new long-term contract is executed by the parties to the contract.

